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COAST GUARD BUDGET

HEARING

BEFORE THE

NATIONAL OCEAN POLICY STUDY

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION UNITED STATES SENATE

ONE HUNDRED SECOND CONGRESS

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WEDNESDAY, APRIL 17, 1991

U.S. SENATE,
NATIONAL OCEAN POLICY STUDY
OF THE COMMITTEE ON COMMERCE, SCIENCE,
AND TRANSPORTATION,
Washington, DC.

The committee met, pursuant to notice, at 10:04 a.m., in room SR–253, Russell Senate Office Building, Hon. Ernest F. Hollings (chairman of the committee) presiding.

Staff members assigned to this hearing: J. Michael Nussman, professional staff member; and John A. Moran, minority professional staff member.

OPENING STATEMENT OF SENATOR HOLLINGS

The CHAIRMAN. Good morning. The committee has convened today to review the funding needs of the U.S. Coast Guard, fiscal years 1992–93.

I want to welcome Admiral Kime and his associates here. Admiral, it has been nearly a year since your confirmation; along with the rest of the committee we want to be hearing your views and vision, now, after a year's experience there as Commandant.

As a branch of our armed services the Coast Guard plays a critical role in defending our Nation and maintaining our national security. However, because Coast Guard headquarters are not housed in the Pentagon, that role is sometimes overlooked, but it is appreciated and enjoyed as far as I am concerned.

Admiral, I want to congratulate you and the men and women of the Coast Guard for their vital contribution to Desert Shield and Desert Storm and—I do not know what you want to call it. The Kurd continuance, or whatever it is. We are still at war. We still have a blockade, and you have got Coast Guardsmen climbing up and down the sides of ships right now, stopping vessels and otherwise, and I want to get into the details of that and have you describe it for the committee as to the exact nature of the blockade.

Your responsibilities do not end with the blockade itself. The service was first established in 1790. Its job, by today's standards, was straightforward—to prevent smuggling and collecting of tax revenues—and since that time many new responsibilities have been added, such as search and rescue, fisheries, law enforcement, drug interdiction, aids to navigation, marine safety, and marine environmental protection.

The diversity of the Coast Guard mission is apparent when you look at its involvement in recently highly publicized events, such

as the blockade and prior to that, the cleanup of the Exxon *Valdez*. You were, in both instances, on the front line.

The budget request for 1992 is $3.76 billion, an increase of 8 percent over last year's level. The increase appears to be spread throughout the Coast Guard. The budget contains requests to complete a number of major initiatives begun over the last few years, including the 378-foot-high endurance cutter rehabilitation program, the acquisition of the remaining 110-foot Island class patrol boats, and the delivery of the HH–60J—Jayhawk—helicopters.

In addition, a number of important projects continue into fiscal 1992, including the replacement of the seagoing buoy tenders and the 44-foot motor lifeboats. I am also hopeful, Admiral, that we can move forward with the design and construction of that new Coast Guard icebreaker.

Admiral, your budget appears to focus more attention on your human resources than in past years, and I think that is highly important. The request contains the funding necessary to provide affordable housing, medical care, training, family services, recreational facilities, for the men and women of the Coast Guard.

Finally, as part of the Omnibus Reconciliation Act last year, Congress passed legislation directing the Coast Guard to establish a user fee for recreational boaters. In March, the Coast Guard published the notice of proposed rulemaking on the user fee, and I would like you to elaborate on the user fee proposal today, especially with respect to its geographical coverage.

Let me yield to my distinguished ranking member.

OPENING STATEMENT OF SENATOR STEVENS

Senator STEVENS. Mr. Chairman, I join you in welcoming Admiral Kime back once again before the committee, and I am sure you know just how important Coast Guard really is to my State. Whether it is fisheries or search and rescue, as you mentioned, or the antipollution patrols, the law enforcement activities—I believe that the Exxon *Valdez* disaster strained the Coast Guard budget to the extreme. I think that was one of the largest missions it has had in recent years.

But one of the things that I want to go into today, Mr. Chairman, to see if we can build a basis for trying to understand the extent to which this budget of the Coast Guard really is militarily oriented. We have before us now three officers of the Coast Guard. They are in military uniform. They train, their people train, to operate guns. They have guns on many of their cutters.

They have a great deal of, really, military expense, and yet they are funded through this civilian budget, and we in the past have moved, you and I, moneys from the defense appropriations bill into the Coast Guard. That is not possible under the Gramm-Rudman-Hollings amendment, so I would like to have your patience today to try and develop some of the background items to see if we cannot get started now on a definition of what moneys are expended by the Coast Guard which really relate to their role as a member of the defense forces of the United States.

As you mentioned, they are still out there daily in the Persian Gulf area, carrying out military duties, inspecting vessels to de-

mand compliance with the United Nations resolutions that have been supported by the Congress.

So, I think that will be just the beginning of an inquiry that I would like to make, Mr. Chairman, with your help and support, I hope.

The CHAIRMAN. Admiral, Senator Stevens and I are both senior members of the Defense Appropriations Subcommittee of our Appropriations Committee. When we find out that the Coast Guard has been shortchanged, we make up the difference through the defense account.

Senator Stevens and I totaled it up, looking over your presentation and studying it for this morning's hearing, that we have actually had $1.5 billion that was reallocated out of the defense account for the Coast Guard, in the last 6 years. This year, for example, there is $300 million, in the 1991 budget, is actually defense moneys.

Now, according to the summit agreement, we have defense in one budget category, domestic in another, and the international or foreign affairs in the last category. Senator Stevens and I are not sure how to continue to fund the Coast Guard's defense mission through the defense account.

Right off the bat, we are $300 million shy, and that worries him and worries me. We are going to have to figure out some way and justification.

Excuse me. Bob, it is good to see you. Senator Kasten.

Senator KASTEN. I will wait for a moment.

The CHAIRMAN. Thank you. Admiral Kime, we are delighted to hear you at this time.

STATEMENT OF ADM. J. WILLIAM KIME, COMMANDANT, U.S. COAST GUARD; ACCOMPANIED BY CAPT. J. DAVID SPADE, CHIEF, BUDGET DIVISION, AND CAPT. JOHN E. SHKOR, CHIEF, PROGRAMS DIVISION

Admiral KIME. Thank you, Mr. Chairman. It is, indeed, an honor and a privilege to appear before you again. I thank you for your kind words, those of Senator Stevens, and especially for the significant support the Coast Guard has received over the years from this committee.

Mr. Chairman, I have a rather detailed statement which I would like to enter for the record in its entirety, if I could, and be permitted to make some short summary remarks.

The CHAIRMAN. It will be included in its entirety, and you can highlight it as you wish.

Admiral KIME. With me today on my left is Capt. Dave Spade, who is Chief of our Budget Division, and on my right Capt. John Shkor, who is Chief of our Programs Division.

Mr. Chairman, last spring during my confirmation hearing, I had the privilege of appearing before this committee to share with you some of my views of where the Coast Guard was and where it ought to be going, and since that time several things have happened, and I would like to touch on those things. One is that we have developed a formal vision statement for the Coast Guard; I have a copy of it here. This is not an end point. This is a goal, a direction in which we hope to be marching.

In addition to that vision statement, I promulgated a strategic agenda, and it has three watchwords: people, balance, and excellence, as the chart to my left shows. And, Mr. Chairman, the Congress has been active in a very productive way: they passed the Omnibus Reconciliation Act of 1990 and the Oil Pollution Act of 1990, which I think is a tremendous step forward in the protection of our environment, and I believe it is the single largest tasking that our service has ever received from the Congress.

Of course, we are now, Mr. Chairman, in the midst of implementation of Secretary Skinner's national transportation plan. The 1992 budget that has been submitted by the President has been influenced by all of these factors, and I believe it is consistent with them, and therefore I would like to request your support, Mr. Chairman, for full funding, and in addition we would hope that full funding this year could come from function 400, and that it would not be necessary to receive function 50 money from our friends across the river at the Pentagon.

Certainly, during the question-and-answer session, I would be most pleased to elaborate on those military aspects of the Coast Guard and, to the degree I can here, provide you with an indication, in general terms, of the moneys involved, and for the record, provide you with more specifics.

Mr. Chairman, I mentioned that I have three watchwords. The first is "people," and I would like to thank this committee for their help and support in the past with providing us, for the most part, with a great amount of hardware and the billets and positions that we need.

My job now is to attract and retain the people to utilize this equipment. I have some concerns. Our reenlistment rate for people coming up for first-term reenlistment is down by about 25 percent from 1985 to the present. Our second-term reenlistments remain at about 85 percent, but this first-term reenlistment problem is something that I think we in the Coast Guard need to do something about.

I am concerned that we are losing some very good people. We need additional funding in the areas—some of which you mentioned, Mr. Chairman—of health care, child care, family services, and leased housing, and we also need to expand our efforts to better utilize the talents that women and minorities in society have by bringing these people into the Coast Guard, and once in the Coast Guard, retaining them.

In addition, we have in our acquisition and construction budget a request for $30 million to enhance Coast Guard-owned housing. I think we will get a major payback for these investments, Mr. Chairman, in the future.

Next, I would like to talk about "balance" just a little bit. This is a balance between our four operating missions and also between our operating missions and our support programs, and I think the budget recognizes this.

It recognizes the continued importance of our drug efforts. It holds the line in accordance with the Office of National Drug Control policy strategy No. 3, and it allows us to recognize the importance of another law enforcement area, that of fisheries enforcement. I believe this is something that we will be paying even great-

er attention to in the future, and I so stated about a year ago when I appeared before you, Mr. Chairman.

I would like to thank the Congress for the $5 million that we received in our fiscal year 1991 appropriation. This is going to enable us to transfer two of our 378-foot-high endurance cutters to the west coast this summer, and also to retain the Coast Guard cutter *Citrus* in commission to enhance our fisheries patrol efforts. In addition, we are moving one of our medium endurance cutters from Southern California, north to the coast of Oregon, again for fisheries enforcement.

Mr. Chairman, when I talk about environmental protection, I have to speak of the Oil Pollution Act of 1990. This has given us a major challenge. I think we are well into implementing the 75-odd provisions of this, over 50 of which were regulatory projects, and we have made some significant organizational changes in the Coast Guard to ensure that we can do this task.

Maritime safety is what I call one of our silent missions, and I take recreational boating as an example. I found in my travels around the country, in the short time I have been Commandant, that perhaps the recreational boating community felt that they had been disenfranchised and were not as important to us, and that our recreational boating mission was not as important to us as it once was.

I tried to dispel that, not only by what I have said, which helps to dispel perception, but also by what we do. Mr. Chairman, I point out that this budget does have full State boat funding listed, more billets for product assurance for boaters, and moneys and people to expand our boating-while-under-the-influence initiatives.

Commercial vessel safety is something that has taken a significant reduction in the Coast Guard budget in the past few years—a cut of almost 30 percent, and this is something again that we are concentrating our efforts on anew and trying to move forward on.

You mentioned, Mr. Chairman, in your comments, some of our vessels that we are trying to replace. Many are old. Our seagoing buoy tender fleet is approaching 50 years, and we are looking to begin replacing these with vessels that will also have an oil-skimming capability. We want to make progress in replacing our coastal buoy tenders and continue our work with our patrol boat and motor lifeboat replacement—things, again, that you mentioned in your opening comments—and we certainly want to increase the emphasis that is much needed in our vessel traffic systems.

National security is embodied in our efforts in the Persian Gulf, and I certainly am very pleased with the part that both our Regulars and our Reserves played in Operations Desert Shield and Desert Storm. As a result of these, we will be looking at our Reserve program in the future, something that the DOD will also be doing with their Reserve programs.

I am very pleased with the increase in our research and development budget. It is now approaching $29 million in the document sent forward with the President, and while this is still less than 1 percent of our total budget, I think it is a major stride forward.

I mention my third watchword, Mr. Chairman, of "excellence," and I think that is something that my vision statement embodies. It is not an end point, as I said, it is a path to march down. We

want to continue to do the best possible job we can in all the areas where we have been entrusted responsibilities.

I want to place increased emphasis in the Coast Guard, on long-term planning and our execution of long-term efforts, and I want to use the principles of total quality management to do that. It is a new way of looking at things, and for the Coast Guard, of doing business. It is a change in attitude, it is not a budget line item.

In summary, Mr. Chairman, I would like to say that our budget has a very small real growth. I have another chart up here I would like to show you very briefly. It is a pie chart showing the incremental $205 million increase, and you can see that 68 percent of that is for built-in changes such as pay raises, cost-of-living increases, GSA rent increases, and additional expenses from the Defense Logistics Agency.

Of that budget, 17 percent goes to operate new facilities that are much needed and have been provided for, and only 15 percent represents maintenance and upgrade of our assets, and as you see, Mr. Chairman, that is 15 percent of $205 million, a very modest increase.

We are looking to apply that to environmental protection, housing for our people, health care, doing something about our aging shore plant, our vessel traffic systems and, of course, maintenance of our vessels.

So, Mr. Chairman, let me just say in summary that our program is people, balance, and excellence, and I pledge to you and the committee and the American people that we are going to do our very best to do this in a cost-effective way.

Mr. Chairman, I know you also asked for some comments on user fees. Perhaps that would be better brought out in the question-and-answer period, but I am prepared to give you a full summary of exactly where we stand right now, and where we think we are going.

I look forward to your questions, sir.

[The prepared statement of Admiral Kime follows:]

PREPARED STATEMENT OF ADM. J. WILLIAM KIME

Good morning, Mr. Chairman. It is my great pleasure to appear before this distinguished committee today to discuss the current state and future of the Coast Guard in the context of the fiscal year 1992 budget.

During my confirmation hearing last May, I shared with the Congress my current view of the Coast Guard, along with my vision of what direction I thought the Coast Guard should take over the next several years. One of my highest priorities after becoming Commandant was to use the broad direction found in the national transportation policy to shape a strategy with which to guide the Coast Guard. This effort led to the publishing of my strategic agenda last September, along with a short "vision statement." Both documents reflect my three basic themes for the Coast Guard: Adequate support for our people, our most important resource; balance—among our many priority missions as well as between operational and support activities; and a consistent striving toward excellence through continuous improvement in the performance of all that we do. Our fiscal year 1992 budget request, having been developed with these three themes in mind, is a direct reflection of this strategic agenda.

The President's budget request for the Coast Guard in fiscal year 1992 has also been greatly influenced by factors external to the Coast Guard. The budget is, of course, firmly rooted in the national transportation policy announced by Secretary Skinner in February 1990. In helping to provide improvements to the maritime transportation infrastructure and provide for a safe, reliable national transportation system, initiatives contained in the Coast Guard's budget request support the various national transportation policy themes.

Other external factors were the result of congressional action. In developing our 1992 budget, we were mindful of the letter and spirit of the Omnibus Budget Reconciliation Act of 1990 and have prepared a request which responds to the fiscal goals of that legislation. Our 1992 budget has also been heavily influenced by the Oil Pollution Act of 1990, which assigned many new, resource-intensive responsibilities to the Coast Guard.

So that we may begin to realize our internal goals while also responding to external imperatives, we are requesting your support for the following amounts for fiscal year 1992: $2,539,600,000 for operating expenses; $422,978,000 for acquisition, construction & improvements; $28,800,000 for research, development, test & evaluation; $25,100,000 for environmental compliance & restoration; and $10,200,000 for alteration of bridges. We are also seeking to incorporate certain changes in fiscal year 1992 appropriations legislation:

- Full funding under the transportation appropriation, instead of drawing on Department of Defense resources for part of our allocation.
- The elimination of programmatic spending floors from 1992 appropriations legislation. I will describe later my plans to achieve, where necessary, a better balance among and within Coast Guard missions. In doing this, I need the flexibility to apply Coast Guard resources to best overall advantage.
- A return to appropriation of Coast Guard acquisition, construction and improvements (AC&I) funds in one lump sum. By specifying AC&I category funding levels in appropriations act language, the fiscal year 1990 and 1991 appropriations have placed legislative limits on flexibility in managing the AC&I account, limits which do nothing to enhance congressional oversight already provided for in reprogramming guidelines.

Returning to my strategic agenda, the first basic theme is people. I strongly believe and have often said that the men and women of the Coast Guard are our most important asset. In fact, our active duty, civilian, reserve, and auxiliary members are directly responsible for the Coast Guard's high level of mission performance and effectiveness.

You have given me hardware to do the job, and—for the most part—billets and positions to operate and maintain that investment. However, I am having an increasingly difficult time finding people to meet our recruiting targets, and—even worse—keeping them in the service after their first enlistment. I am very concerned about the trend in our first-term reenlistment rates. The Coast Guard is becoming less competitive in attracting the kinds of people we need in the quantities demanded by our responsibilities. Society is changing * * * The Coast Guard must change with it in offering a market-competitive compensation package. The changing demographics and concurrent need for diversity in my work force require some innovative thinking in support for the Coast Guard's men and women.

I find it particularly imperative that we achieve improvements in housing, health care, family services, and other elements of personnel support. I am also committed to recruitment efforts to increase representation of minorities and women, in order to ensure a balanced work force which draws on and reflects our country's diverse nature. Recent studies we have conducted in health care, family services, and women in the Coast Guard clearly indicate these initiatives are necessary and even overdue.

Over 60 percent of the total Coast Guard budget involves pay and other personnel expenses, with the bulk of our fiscal year 1992 request simply going to maintain current services. However, in order to begin addressing some of the critical personnel issues described earlier, this request includes funding for new support initiatives, all aimed at either recruiting or retaining a quality work force.

- The operating expenses (OE) request includes an incremental increase of just over $9 million to fund: health care costs, child care and family services, family programs training and staffing, additional leased housing, and increased minority representation.
- Personnel needs are similarly addressed in our AC&I request. In addition to providing Coast Guard men and women with the best possible equipment through various capital plant acquisition and renovation projects, fiscal year 1992 AC&I funding will provide a direct benefit in the form of over $30 million dollars with which to construct or refurbish more than 150 family housing units, including site preparation.

The investment we make today to support our people properly will pay off in mission performance for years to come. Work force management is increasingly important given the huge societal and demographic changes our nation will undergo as we enter the 21st century. We must deal with them directly * * * as this budget does * * * and not leave them to chance.

Another of the basic themes in my agenda is balance among our many missions. Each one of the Coast Guard's four traditional mission areas—environmental protection, law enforcement, national security, and maritime safety—is important in its own right. The President's budget, therefore, requests the budgetary and personnel resources needed to realize a proper level of effort for each mission.

Our environmental protection mission, reflecting a national consciousness that was renewed when Exxon *Valdez* struck Bligh Reef two years ago, is one that demands increased attention. As you are aware, this renewed concern, as manifested in the Oil Pollution Act of 1990 (OPA-90), added significantly to the Coast Guard's responsibilities. I thank this committee and the rest of the Congress for the funding and people provided in fiscal year 1991 to let us begin fulfilling those responsibilities. As our efforts to implement the provisions of OPA-90 continue, we seek additional funds to follow on with the work we have already begun.

- In the OE appropriation, a line item for $9 million will fund important new initiatives in marine environmental protection which deal with: pollution fund administration; pollution prevention; vessel/facility response plan review; strike teams casualty-pollution investigations; and legal support of environmental protection and enforcement. Other OE line items will contribute to environmental protection by upgrading vessel traffic services and facilitating private sector access to the Defense Department's global positioning system.
- Environmental protection projects under the acquisition, construction and improvements (AC&I) appropriation include new oil spill recovery equipment for the national strike force, significant improvements at four vessel traffic services, initial implementation of the differential global positioning navigation system for harbors and harbor entrances, and numerous aids to navigation improvements in waterways throughout the nation.
- In support of our environmental protection activities and projects, we are proposing that $31.054 million dollars be drawn from the oil spill liability trust fund for operating expenses, and $26.752 million for AC&I.
- The importance we place on improving our future ability to both prevent as well as respond to marine pollution is reflected in the marine environmental protection portion of the research, development, test and evaluation (RDT&E) request; at 15 percent, or $4.560 million, it constitutes the largest single program area within that appropriation.
- In environmental compliance and restoration (EC&R), we are continuing to respond to congressional direction with regard to this new appropriation. Our request * * * an increase of $3.6 million to a total of $25.1 million * * * will fund further progress in our continuing efforts to remedy known environmental damage resulting from past Coast Guard activities. It will also permit earlier identification of previously undiscovered problem areas, as well as prevent future contamination from hazardous substances and pollutants at Coast Guard facilities.

Law enforcement, a priority mission for the past several years, will continue to play a significant role in the Coast Guard of the 1990's. However, I also see a need * * * and an opportunity * * * to begin some rebalancing among the various law enforcement programs.

We have seen many successes in drug law enforcement over thepast few years; for instance, maritime smuggling of marijuana hasslowed to a trickle, and our interdiction efforts in the Southeast U.S. and the Bahamas have severely curtailed smuggling by air. Due in part to successes such as these, the Office of National Drug Control Policy (ONDCP) has announced a national strategy of holding steady on supply reduction efforts while generally applying new resources to the demand side. This will sustain the level of deterrence we have achieved. Like the ONDCP, we are in a position to apply new resources to other law enforcement programs, most notably fisheries enforcement and illegal migrant interdiction.

In fisheries law enforcement, Congress has contributed to the rebalancing effort in fiscal year 1991 through a $5 million reprogramming. Using that, we are further enhancing fisheries enforcement by moving two high endurance cutters from the east coast to the west; these cutters are well-suited to operations in the vast fisheries areas of the Pacific Ocean. At the same time, partially in recognition of increased Navy support for drug law enforcement, we are reallocating cutter time on the east coast to increase fisheries patrols in the Northwest Atlantic.

In order to have sufficient flexibility to achieve the balance we need within this and other missions, it is important that the Coast Guard not be constrained by spending floors such as those included in prior years' appropriations acts.

Our fiscal year 1992 request will improve these various law enforcement efforts in several ways. In operating expenses, new funds will cover costs to operate new patrol boats and newly renovated cutters and aircraft. AC&I funds will pay for various capital investment projects for force renewal, such as: HH-60J helicopter pro-

curements for Operation Bahamas and Turks & Caicos (OPBAT); and fleet modernization initiatives for high endurance cutters, 210-foot medium endurance cutters, and polar icebreakers. Law enforcement-oriented projects in the RDT&E request include improved surveillance and vessel search technology, unmanned aerial vehicles, and improved sensors for Coast Guard vessels. By making our existing operating units more capable, these RDT&E initiatives will result in more efficient use of Coast Guard assets.

Past investment of public dollars in the Coast Guard's role in national security has paid off significantly with our recent participation in Operations Desert Shield and Desert Storm. I note with great pride the uniqueness and versatility displayed by Coast Guard people—regulars and reservists—in our own ports and overseas in responding to the Persian Gulf crisis. Our work in maritime defense zone planning and exercising in recent years contributed directly to ensuring safe, secure, and efficient loadout of war materials aboard ships in U.S. ports. We were active participants in the breakout of the Ready Reserve Fleet, and in the search for suitably qualified merchant mariners to man those ships. Coast Guard people are still providing port security in the combat theater ports, enforcing the United Nations embargo against Iraq in the maritime region, and responding to environmental disasters in the Persian Gulf.

The Coast Guard's incremental costs for military-related support of Desert Shield and Desert Storm in fiscal year 1991 were approximately $19 million in the first six months of fiscal year 1991. These costs were addressed in the supplemental appropriation, which was just signed into law. Mr. Chairman, I thank you for your support of that measure.

Coast Guard costs for Operation Desert Storm are continuing in both the military and environmental arenas. militarily, we continue to provide port security and explosive loading expertise in both Persian Gulf and U.S. ports. We are also continuing our law enforcement assistance in support of the continuing economic embargo of Iraq. And U.S. Coast Guard Aireye-equipped Falcon aircraft continue their patrols in the gulf assisting the Saudi Government in cleaning up the shocking results of Iraq's environmental terrorism.

In our fiscal year 1992 budget request, major renovations of our multimission high and medium endurance cutters will support Coast Guard responsibilities in national security. Operating expenses funds will be used to operate high endurance and 210-foot medium endurance cutters which have just completed renovation. Our AC&I request also includes funds to continue installation of modern, Navy-procured weapons aboard Coast Guard high endurance cutters.

Our request for reserve training (RT) will maintain Coast Guard selected reserve strength at 12,000. In view of the changing world situation, I feel it is best to keep our reserve strength at current levels, then reassess our force needs in concert with the Department of Defense, using lessons learned from our involvement in the Middle East.

Maritime safety, that group of core missions which for so many years have been a hallmark of our humanitarian tradition, will continue to be a priority in the 1990's. Through our efforts in aids to navigation, commercial vessel safety, and recreational boating safety, we will, as a priority, seek to prevent accidents at sea or on our inland waters from ever happening at all. When we cannot, we will be prepared * * * with the best people, equipment, training, and procedures * * * to do whatever is necessary to save lives and property.

The operating expenses request includes new initiatives in drug and alcohol enforcement aboard commercial vessels, fishing vessel safety, recreational boating safety, and improved navigation technology.

The fiscal year 1992 AC&I request will promote maritime safety through improvements in vessel traffic services, further development of the global positioning system, and installation of improved maritime distress communications equipment aboard Coast Guard cutters. Construction and renovation of the multimission vessels, aircraft and shore facilities mentioned earlier will support maritime safety as well. As part of a major Coast Guard emphasis, fiscal year 1992 funding will be applied to replacement programs for our aging seagoing and coastal buoy tenders; development of a new, smaller patrol boat alternative; and major upgrades aboard polar class icebreakers.

The RDT&E request includes funding for continuing work in search and surveillance technology, enhancements to existing computer-assisted search planning, commercial vessel safety initiatives, and further development of the differential global positioning system.

To support our recreational boating safety program, we request appropriations for the boat safety account at the fully authorized level, $70 million, of which half will go to state grants.

The third theme in my strategy involves striving toward excellence by continuously improving our performance in all that we do. One way in which I intend to accomplish this is by fostering more of a long-range perspective. When it comes to programs, major acquisitions, and other projects, I want to place greater emphasis on taking a long-range view, one which covers preliminary planning right on through the execution and implementation processes.

Additionally, the Coast Guard as an organization is applying the principles of total quality management (TQM) to seek greater efficiencies in protecting and serving our customers—the public: TQM is not just a passing fad or a buzzword. It is a whole new way of looking at how we manage our business and perform our missions. I believe it is a tool that will let us realize the effectiveness and efficiencies that the Budget Reconciliation Act requires. You won't see any specific budget item to implement TQM. It is a change in attitude rather than a change in assets. But, you will see some early results of TQM: initiatives that look at new ways of doing business * * * within existing resources; new equipment, sensors and platforms that will in the future save or avoid the need for budgetary and personnel resources; and practices that will empower our people to contribute even more productively to improving mission performance. For example:

- Our cutter fleet will be better utilized and the fisheries law enforcement program better served by moving two high endurance cutters to the west coast.
- Development of a smaller coastal patrol boat may be a way to respond to mission requirements in certain geographic areas, at a lower cost than with the island class or heritage class cutters.
- An increase in AC&I personnel will put more resources up front in the acquisition process for better planning and preparation which, combined with increased focus on assignment and training of acquisition personnel, will improve our performance in handling major systems acquisitions.
- Continuing to seek out and apply new and emerging technologies through our RDT&E program will help sustain our high level of efficiency.
- Within maritime safety, continuing to place emphasis on prevention will eventually reduce our requirements to respond to mishaps, and will better serve the public good.

TQM is the general watchword. But, in my strategic agenda, I prefer to characterize this theme as the pursuit of excellence in all that we do, both operationally and organizationally.

In sum, the fiscal year 1992 Coast Guard budget request reflects my strategic agenda of people, balance, and excellence, while being responsive to and consistent with the national transportation policy, the Omnibus Budget Reconciliation Act of 1990, and other external factors.

To achieve these ends, I propose to improve our recruitment and retention of coast guard people so that we have the work force we need to enter the 21st century. I also consider it essential that we invest now in replacements for aging buoy tenders, medium range helicopters, shore facilities, and other elements of our infrastructure. We will continue to rebalance among missions in response to new legislation and other emerging priorities. Finally, we will employ our RDT&E capability to better position us for the future.

While this request represents just under eight percent growth over the level enacted in fiscal year 1991, new initiatives account for only a small portion of that growth. Almost all of the increase is attributable to built-in adjustments and follow-on funding for operation of new facilities that basically only sustain and maintain our current level of services and operations.

With the resources requested in the President's budget, I am confident that the Coast Guard in fiscal year 1992 will make great strides in carrying out the priorities of Congress, in implementing Secretary Skinner's national transportation policy, and toward fulfilling my own strategic vision. I look forward to working together with you to reach these ends.

Mr. Chairman, I will be happy to respond to any questions you or the other members of the committee might have.

The CHAIRMAN. Let us do that. Tell us where you stand on user fees.

Admiral KIME. Mr. Chairman, let me give a little bit of background on user fees. Coast Guard user fees have been talked about for a very long period of time. I have been involved since 1981 when my predecessor, Admiral Yost, gave me the job of heading up the effort to obtain user fees. He told me if I were ever to advance

in the Coast Guard, I needed a project that had some visibility. He certainly gave me visibility. He was Chief of Staff at the time, and I thank him for that visibility.

A great deal has been said about this. This is probably one of the most controversial issues that the Coast Guard has dealt with or the Congress has dealt with. As part of the 1990 Reconciliation Act last year, in looking for new sources of revenue to help the Congress and the President do something about the budget deficit, one of the sources of revenue was fees to be collected from the public in five areas. And what we are doing in the Coast Guard right now is to implement this mandate in the most cost-effective, least disruptive way to the American public.

Now, let me touch on the areas that we are dealing with. The first is the fee for recreational boaters. We put a notice of rulemaking on the street on March 28, with a 45-day comment period. We have distributed 20,000 copies of this to the public. We have mounted a major public information campaign, working in great part through the boating media. I have addressed most of the publication associations, to try to get the story across and ask them to publish information about what we were trying to do.

We, to date, have received about 100 comments. The comment period will not close until May 13. We are looking, as I said, at the most cost-effective way of going after this problem. We hope to allow the boating public to be able to come in and obtain the necessary decal by walking into an office, by writing in, by phoning in, paying for it by cash, check, money order, or credit card, and to do it in a way that represents a cost of less than 10 percent of the total fee collected. That is what we are working on.

The notice of proposed rulemaking exempts hand-powered vessels, something that we received over 800 comments on prior to promulgation of these regulations. And it indicates a fee schedule which is the maximum prescribed in the law for the various sized vessels that are covered. For vessels above 16 feet and below 20 feet it is $25, graduating up to a fee of $100 per year for vessels that are over 40 feet. The notice of proposed rulemaking does apply to all vessels upon the navigable waters of the United States and in accordance with the law, where the Coast Guard has presence. We have defined "presence" to mean anywhere within the geographical area where the Coast Guard has jurisdiction.

Now, let me elaborate on that a little bit, Mr. Chairman.

The CHAIRMAN. Yes, because I am thinking about Lake Murray. You do not have the Coast Guard there. Now, you might put a boat out there on Labor Day because the Coast Guard does like to get in the water and enjoy Labor Day. But other than that, you do not have any presence, and your description, geographically, would include Lake Murray, as I understand it.

Admiral KIME. Well, let me try to describe that. First of all, the Congressional Budget Office in scoring this revenue-raising feature, credited $127 million to it, and the Congress set limits as to how much we could charge for boats of particular sizes. Based on our calculations, we would have to charge the maximum fee and attempt to assess that fee against the entire population of boats on the navigable waters if we were to approach the figure given us by Congress. That was one element that went into our thinking.

The other is the fact, Mr. Chairman, that our presence is not dictated only by patrol boats physically there. We obviously have a presence by air stations, and we have established a new air station in Charleston. We already have one in Savannah. In addition to that, we have aids to navigation systems. We have a recreational boating program that we put about $317 million a year into. We conduct factory visits to ensure that boats manufactured in various parts of this country are safe.

In fact, in the State of South Carolina we have well over 100 manufacturers of boats, and we visit over 80 of these on a regular basis to see that the citizens that use these boats around the country receive vessels that meet our requirements. We issue regatta permits, we have requirements for bridges, et cetera. So, all of these thoughts have gone into our determination of presence.

Mr. Chairman, let me just check something, but I think I might have some good news for you. Mr. Chairman, Lake Murray is not a navigable waterway, so, therefore, that would be exempt not on the basis of presence, but on the basis that it does not fall into that navigable category.

The CHAIRMAN. I just used it as an example. Since we have got good attendance, I really want to find out about your activity at the very moment in the gulf, and then let us get to personnel. And then I want to yield, because I want the other members here to have a chance. Describe for the committee what you are doing now with respect to the blockade. How many are involved?

Admiral KIME. Right now, Mr. Chairman, we have in the Persian Gulf 5 boarding teams, involving 20 people. At the maximum, we had 10 boarding teams, involving 40 people. A boarding team is four persons. And in addition to the 20 making up the 5 boarding teams, we have 5 officers serving on the Navy command staff over there.

We are continuing to enforce the United Nations embargoes against Iraq and will continue to do so, as long as requested by the President and by General Schwarzkopf. Any modifications to those requirements, of course, would necessitate a modification of our presence over there. Presently, based on the amount of shipping, the five teams appear to be adequate.

In addition, Mr. Chairman, we have port security units in place. We had three during the entire Desert Shield-Desert Storm Operation, two in Saudi Arabia and one in Bahrain. These were made up of Coast Guard Reservists. Two of the teams that have been over there since September and October have been replaced by other port security units. The third port security unit will be coming home probably sometime in May. We expect the two remaining units to stay over there approximately until the end of the summer or early fall, or until situations change.

Right now we have 328 Coast Guard personnel over there in our port security units. And once, in May, we bring back the third unit, that will leave us with about 235 there, providing waterside security and also guidance to people in the handling of explosive material, hazardous materials, et cetera.

Finally, our presence over there in a third area is in monitoring Saddam's slick. We have had two Coast Guard HU–25 AIREYE-equipped aircraft with about 18 support people over there for sever-

al months now. They have a side-looking airborne radar, ultraviolet infrared censors, and camera equipment that have enabled us to help track the slick. And we would expect them to stay over there probably for several more weeks.

Let me add, Mr. Chairman, that although the Coast Guard was—and we are very appreciative that we were—included in the supplemental for Desert Shield and Desert Storm to the tune of $18.9 million, that is only, in fact, to cover our expenses during the first two quarters of fiscal year 1991. So, what we are doing now is coming out-of-hide over there.

The CHAIRMAN. Did you have anyone injured or lost in this operation so far?

Admiral KIME. Not in combat, Mr. Chairman. We have had some minor injuries, but no fatalities.

The CHAIRMAN. Well, we have got a good attendance. Let me yield and ask the members to try to limit themselves so everybody will get a chance here on a good first round.

Senator Stevens.

Senator STEVENS. Thank you, Mr. Chairman, and I will be pleased to do that. I agree with you.

Admiral Kime, we have got a potential settlement now for the Exxon *Valdez*. Have you provided information to the Department of Justice and to others concerning the Coast Guard expenses during the period of the recovery from the Exxon *Valdez* disaster?

Admiral KIME. Yes, sir, we did, Senator. We were required to report periodically to the Congress, in fact, the amount of Coast Guard expenses and the amount of reimbursement that we received from Exxon. And to date, Exxon has reimbursed us for all the Coast Guard-specific expenses.

Senator STEVENS. That leads me to another question. Will you get any moneys at all from this settlement? Are there any portions earmarked for the Coast Guard in this settlement?

Admiral KIME. Any expenses that we accrue as a result of the cleanup and the shoreline assessment that will be ongoing this summer, the Coast Guard will be reimbursed for out of the moneys provided for the settlement.

Senator STEVENS. So, you feel certain that as a result of both of the Exxon payments to date and the settlement that your budget will be whole, that you will not have suffered a loss as far as the operating moneys for fisheries, patrol, or anything else in terms of this total activity?

Admiral KIME. That is correct, Senator.

Senator STEVENS. Again, I want to commend you and the officers and men and women of the Coast Guard for their role in that really staggering armada that hit the Prince William Sound, and I know that you had a great deal to do with it personally.

I mentioned in the beginning—well, first let me go to this total-quality management concept that is mentioned in your statement. Have you implemented that whole concept yet in the Coast Guard?

Admiral KIME. We are in the process of doing that, Senator, and we are doing it from the top down. The experts have told us that that is the way to do it. There are a lot of total quality management gurus around the world, and we are not trying to adopt any one particular theory. We are trying to get something that is tai-

lored for the Coast Guard, because we are multimission, we have many operations, and we have many support functions. But, we have begun by training all of our flag officers, having extensive discussions, setting up an organizational structure, framework, and are providing training to key total quality management people at our important commands and districts. And we have already had some considerable success in doing this, Senator.

I think one particular example I can point out is the fact that for many years we were being looked at by the boating public as having forgotten them, interested in boarding them only for drug interdiction, having thrown away our white hat and put on a black hat, boarding with weapons, and not treating boating safety with the same importance. Admiral Yost implemented a total quality management study on that, or he initiated it, and I am in the process of implementing it. I think that has gone a long way to change the perception that the public has of us and also change the way we are doing business. We are looking at it in many other areas, too.

How I view it involves several important things. I want to not just look at the end result; I want to look at the process whereby we arrive at that. And, I think total quality management lets us do that. It involves all of our people from the worker bees, hands-on, right up to top management. And since we are multimission, it cuts across all of these mission areas. It is going to keep us from putting more resources than necessary into one particular mission area just because they have a good spokesman. Everyone will work together so that we optimize the Coast Guard, not suboptimize the individual elements.

So far, I think this has been received very well by the Coast Guard leadership and by the people who have been involved in it.

Senator STEVENS. I have two other subjects just briefly. One is, I note from your statement that you are going to move the two high-endurance cutters to the west coast and that the activities in the drug patrol area are giving you a little more flexibility in dealing with fisheries patrol. Is that going to be a permanent assignment now? Do you anticipate that to be temporary, or is that a permanent assignment to the west coast?

Admiral KIME. That is a permanent assignment for those two cutters, Senator.

The CHAIRMAN. Whereabouts on the west coast, Sandy Point?

Admiral KIME. No, Senator. We had installed a major pier facility in San Pedro, which is right inside of Los Angeles Harbor, for some 270-foot cutters. Those were not stationed there. They were put on the east coast to work on the drug interdiction effort. One of these high-endurance cutters is coming out of fleet renovation and modernization right now, and the *Hamilton* has been out for a while. They will be coming around this summer and going into these existing facilities that we have there. We are moving one cutter, a medium-endurance cutter, the *Venturous,* out of San Pedro and moving it up to Astoria, OR, to be closer to the fisheries patrol activity up there. We will do that as soon as housing is made available.

In the interim, since that will not happen until about 1993 and since we will not have the 378-foot cutters fully operational for a

matter of months, we are going to take part of the $5 million that was given to us in the 1991 budget to enhance fisheries patrol to keep the Coast Guard cutter, *Citrus,* in commission.

Senator STEVENS. I think he really thought that I had stolen another one of his cutters, Admiral.

Admiral KIME. No, sir, nothing north of Astoria.

The CHAIRMAN. Admiral, I have got base closures in mind. The Navy is closing Sandy Point. I take it these emplacements now are without cost to the Coast Guard. In other words, we are not building new bases while we are closing down already established naval bases.

Admiral KIME. No, we are absolutely not, Senator. That was one of the reasons we will have facilities available—pier-side facilities in Astoria for a second 210. We have the synergy of maintaining two like-class cutters in one place and homeporting two 378's at facilities we have already spent about $6 million on, and right now are not being used. So, we think that is a cost-effective utilization.

Senator STEVENS. Mr. Chairman, we do have one-half the coastline of the United States and we are gradually moving them north, you see, on the west coast.

My last question, Admiral, is that I mentioned in my opening comment. I want to know how to get to this cost, this military cost for the Coast Guard. As I mentioned to you, you have uniforms, you have uniform allowances, you have guns, you have training for military duties, you have training of your people annually, I believe, to interface with the Department of Defense's forces in the event of a national emergency. How can we quantify that cost? Will it take some sort of a commissioner aboard to examine this budget of yours and come up with a fair figure? How can we—we have been addressing it just by need in terms of $200 or $300 million a year, and as the chairman said, I think we moved well over $1 billion out of defense moneys in the last 6 years.

We now have a barrier there. We have to show their defense costs, or they cannot be in the defense budget. Now, how are we going to get those defined in your budget?

Admiral KIME. Well, Senator, as you have said, we are an armed force of the United States by law at all times, and we are going to remain that way. I can give you a few figures right now. I do not think it will be necessary to set up a major study group. I think the Coast Guard can provide the committee with some information.

Right now, for our defense segment of the budget, we have indicated about $120 million including port security. We have earmarked for drug interdiction about $627 million. Certainly, DOD has a lead role in drug enforcement detection and monitoring, and we are actively involved in that. Some portion of that also accrues to defense.

Now, having said that——

Senator STEVENS. You do not get your money from DOD now in the drug enforcement?

Admiral KIME. No, we do not. There is $50 million that has been set aside by the Congress for DOD to provide assistance to the law enforcement agencies. We will get some part of that to enhance our effort—I would estimate about $4 million. These moneys that I talk

about for drug interdiction come directly from Coast Guard appropriations.

Senator STEVENS. What about the cost of your vessels, the cost of uniforms, the cost of training and military arms, the cost of really the annual training with the Navy?

Admiral KIME. That is where we are going to have to go back and scrub, Senator. I mentioned some numbers in excess of $230 million plus a portion of our drug interdiction effort where DOD has primary responsibility. Having said that, I have to subtract off some items.

Senator STEVENS. I have already used my time, Admiral. Let me ask the chairman if we cannct make this a committee request, that you give us details, to the extent that you can, of the military expenditures that come out of your Coast Guard appropriations that are listed on the nondefense side but really are items that if it were war time would be coming out of the defense side. You have peace time defense costs, and we are paying them now out of the nondefense side of the budget.

I think that really puts a strain on the chairman. He is also chairman of the Subcommittee on Commerce, as you know, and all of these things we are trying to deal with there are facing this pinch because we know you have to have the increased money for your roles, and antipollution, and other roles. Can we make that request?

The CHAIRMAN. We will make that a request, Admiral.

Admiral KIME. Mr. Chairman, we will provide that for you, taking into account the moneys and things of value that the Navy and DOD already provide us so you have a net figure.

Senator STEVENS. Thank you very much.

The CHAIRMAN. Very good.

Senator Breaux.

Senator BREAUX. Thank you, Mr. Chairman.

Thank you, Admiral, and your colleagues, for your testimony. Admiral, when we did the budget in the last Congress, many of us in Congress, this Member included, when we talked about the user fees that we had adopted really felt that they were traditional user fees in the sense that they were fees to be paid by recreational boaters for services that they were to receive.

I note in your March 28 notice of proposed rulemaking on this issue the following statements: "Recreational vessel owners paying proposed fees can expect no increase in the quantity, quality, or variety of services that they receive from the Coast Guard. Further, the revenues collected from the fees are not added to current Coast Guard appropriations and do not directly affect future appropriations." And finally, "the fees to be paid by individual boaters are not directly related to his or her use of or benefits derived from these programs."

I take it from the notice on the rulemaking proposal from the Coast Guard that we really just made you a tax collector for Uncle Sam in the sense that none of the moneys that you collect are to be used for any of the direct accounts that are part of the Coast Guard operations such as search and rescue and other ones that I have mentioned. Do any of the funds you collect under this so-

called user fee go into the Coast Guard account, or do they go to the General Treasury?

Admiral KIME. They go to the General Treasury, Senator, and that was the legislative language that was put forward. I think the Coast Guard has benefited to some extent, because we did receive an 8-percent increase overall on our budget last year as a result of the Omnibus Reconciliation Act, of which the user fee resources were a part.

Senator BREAUX. What can I tell the recreational boaters when they ask me the question: "Look, Senator, you told me you were passing a user fee, and if it was a user fee I could probably swallow that. But when you tell me that recreational-vessel owners paying the proposed fees can expect no increase in the quantity, quality, or variety of services that they receive from the Coast Guard * * *" I mean, they have beaten me up on this issue, and I think that—I mean, that is not your fault, because we passed the legislation directing you to do what you are now doing.

But I take it that this is not a user fee by any stretch of the imagination in the traditional sense that they, the users, are paying for a service that they are to receive.

Admiral KIME. Senator, we certainly received a lot of concern from the public about this too, and I can understand. What we have tried to do in our notice of proposed rulemaking is reflect what was intended by the law and by the administration in reaching this agreement. We do provide significant services to the recreational boating public right now.

Senator BREAUX. What I am trying to get at—I do not mean to interrupt you, but I have got some other points. There is no direct relationship between the fee and an account that you have for the services that you provide recreational boaters, correct?

Admiral KIME. It is an indirect fee, Senator. That is, we do not associate it with a towing operation or placing of a particular buoy that might be used by a particular boater. It is a spreading out of the services that the entire boating public receives.

Senator BREAUX. I understand. In your proposed rulemaking, I find the statement, "recreational vessel owners paying the proposed fee can expect no increase in the quantity, quality, or variety of services that they receive from the Coast Guard." What does that mean?

Admiral KIME. Well, it is a paraphrase of what is contained in the law, Senator, that says "the collection of a fee or charge under this section does not alter or expand the functions, powers, and responsibilities or liability of the United States under the law for the performance of services or the provision of a thing of value for which a fee or charge is collected under this section."

So, we are already providing a significant level of service. And, I say this is an indirect fee, although a very unpopular one, I understand.

Senator BREAUX. Let me ask another area. When we passed the oil pollution bill last year, part of that legislation required that the Coast Guard evaluate structural and operational means of protecting the environment prior to the year 2015 when double hulls will kick in. The Coast Guard was instructed to complete a rulemaking within a 1-year period. The conference report, I remember specifi-

cally, suggested that the Coast Guard focus on the possibility of using hydrostatic balancing as a means of eliminating the possibility of an oilspill.

I note that the Coast Guard has sought, through your rulemaking process, to consider establishing standards for double hulls. I do not see anything about hydrostatic balancing or other activities that could reduce it prior to 2015, and I am wondering why not.

Admiral KIME. We are in the process of doing that, Senator. The first priority we had was to enable the shipping community and shipyards to know what was meant by a double hull so they could get on with the business of replacing single-hull ships with double hulls. We had initiated, prior to the passage of the legislation, a study by the Marine Board of the National Academy of Sciences. Their finding was that double hulls were the most effective way of doing this, although there were other areas, such as middeck designs as put forward by the Japanese, that may have promise in the future.

Senator BREAUX. We specifically said, consider in the rulemaking the question of hydrostatic balancing as a means of doing this.

Admiral KIME. The study also talked about hydrostatic balancing and indicated that it was operational rather than design in nature, and there are some real questions about whether this would, in fact, do what it was meant to do. I was involved in the transit of the Exxon *Valdez* down from Alaska into San Diego, and saw some of the problems we had there with ships in free communication with the sea, and what that did to us. On a static basis, hydrostatic balancing may be good, but on a dynamic, real-world basis, maybe not.

The recommendation of this study from the National Academy of Sciences, and what we are going to be proceeding with first, is standards for new construction, and then a look at what we can do in accordance with what the law said for existing designs. We agree with you that 2015 is a long time away, and that there are things that need to be done. Hydrostatic balancing is one. There are many other things, too, that we are going to be looking into.

As I say, we have gotten over 75 taskings. About 50-some of these are regulatory projects. I was asked by the Members of the House of Representatives—although not required by the law—if we could provide the Congress with an update of how we were attacking all of these, where we stood, what we plan to do. I am working on that right now, Senator, and hopefully within a matter of weeks, we will have it. I would also like to present that to the Members of the Senate as a status report of where we are going.

Senator BREAUX. I have one more question. On the double-hull question, press reports indicate—and I would like to have your comments on it—that dealing with the *Haven* that spilled off the port of Genoa, the article says that the oilspill now threatening the beaches of the Mediterranean could have been much more serious if the tanker that exploded had been built with a double hull. It goes on to say that tanker owners are drawing attention to the fact that a double hull would have made the *Haven* salvage operations far more difficult.

Furthermore, the double hull would have created a potential bomb by trapping gasses and aggravating the risk of further explo-

sions. They point out that if the *Mega Borg,* which was in the Gulf of Mexico, had it been built with a double skin they would not have been able to cool the hull and contain the oilspill threat.

Does the Coast Guard have any comments or thoughts about whether a double hull would have been a positive or would have been a negative?

Admiral KIME. Senator, these are arguments that have been put forward by those who have been against double hulls or double bottoms for a long, long time. We do not have any specific information on the incident off the coast of Italy right now as to just what led to the casualty.

Let me say that if we are going to require double hulls on vessels, we are going to have to look at salvageability. We cannot stay with our conventional stability standards. That is a recommendation of the Marine Board of the National Academy of Sciences. We are going to require naval architects to sharpen their pencil and build in additional stability so salvage can occur. As far as the fire exposure is concerned, it is really speculation. I have no information on what happened in Italy yet, but we will certainly get it.

As far as the *Mega Borg,* I was personally involved in that. That occurred within 2 or 3 days after my assuming this position, and I went down on-scene to personally look at it and see what was happening. I think it is difficult to speculate whether a double hull would have made it better or worse in this particular case. Certainly, there was cooling of the hull that was done. This time, it was done successfully. We went at it slowly. We were criticized for doing that, but I think in the long-run, based on what happened 10 years ago when we went a little bit too fast and had a major spill, we did the right thing. A double hull may or may not have added to the seriousness of this.

These are all issues that have been argued for the last 20 years, Senator, and in a specific case, perhaps one design would be better than the other. But on balance, I agree with the action of the Congress and the President in signing the Oil Pollution Act of 1990, and I agree with the findings of the Marine Board of the National Academy of Sciences, that double hulls are something whose time has come.

They are probably going to cut in half the amount of oil that is spilled in a catastrophic way into the oceans surrounding this country, and do it at a cost of about $700 million a year. But that really translates to about between 1 and 2 cents a gallon at the pump.

The CHAIRMAN. Senator Kasten.

OPENING STATEMENT OF SENATOR KASTEN

Senator KASTEN. Mr. Chairman, thank you. Mr. Chairman, I also want to talk about the implementation of the boat user fees which have been mandated by the budget act which you and others have talked about.

Let me, if I can, first of all say that I am pleased to today be joining my colleague, Senator Breaux, in introducing this morning a bill to repeal the fees imposed on recreational boaters which were mandated by last fall's Budget Reconciliation Act.

There are a lot of reasons that I voted against the budget bill. This disguised tax was one of those reasons.

Probably the most ironic thing about these fees is they are sometimes called the Coast Guard user fees. Now, while the Coast Guard is going to have to expend its resources to, in a sense, be the traffic cop and collect these fees, these fees are not set aside for any of the Coast Guard's important missions. What we have in a sense here is just another Federal tax that serves to beef up the U.S. Treasury. So, what we have got is a boating tax, not a fee, and it does not benefit the Coast Guard or the people who use the services of the Coast Guard at all.

These fees are going to make boating more expensive and thus be one more threat to the viability of the boat and other manufacturers who have already been impacted and our being impacted by the so-called luxury tax that was enacted in the same budget act. Now, in Wisconsin we have got 81 boat manufacturers, 79 motor, trailer, and accessory manufacturers, 20 fishing tackle manufacturers, and 735 marine dealers.

Now, this damage of this fee is going to impact all across the line. It is not just the so-called recreational boaters that are going to be taxed. So, what we have got is, in a sense, a wolf in sheep's clothing here. The imposition of these so-called fees—we should say tax—is going to hit, in addition, the 482,000 recreational boaters in Wisconsin. We rank sixth in the country—sixth in the Nation in the number of registered boats. So, I think we have really got to take a very important look at this, and I am hopeful that we will be successful in repealing these fees.

Admiral, beyond my opposition to the fees in general, I know that the question of charging fees for boats on the navigable waters where the Coast Guard has a presence has raised the ire of the marine community as well. On many lakes and rivers it is hard for the public to find a Coast Guard presence, and this is one of the subjects that the chairman alluded to.

Why has the coverage proposed been so broad? Why have you not been able to limit it where there is a direct Coast Guard present on an active daily or even weekly basis?

Admiral KIME. Well, Senator, I tried to address that. Let me go back through and do it again. We looked at the amount of money that was assessed, credited, or scored to this revenue-raising resource that came out of the Budget Reconciliation Act of 1990. The amount scored by the Congressional Budget Office was $127 million. Looking at the maximum fees that were prescribed for various-sized boats, we saw that most, if not all, of the boats that registered above 16 feet, with the exception of the hand-powered vessels, were going to have to be subjected to the fee or the charge if, in fact, we were to meet what we saw was the intent of Congress.

In addition to that, Senator, we have taken a view of presence as not just being a Coast Guardsman in a patrol boat, floating there. We have search and rescue from aircraft. We have aids to navigation systems. We have a rather extensive boating safety program working with the States; I am sure we visit a good number of those 91 boating manufacturers in your State to make sure that, in fact, the vessels they produce are in compliance with national standards. That is one reason why we have been able to reduce the boating deaths in this country from about 20 per 100,000 boats to less than 5 per 100,000 boats in the last 15 or 20 years.

We are involved in regatta permits, patrolling regattas, bridge regulations, things of this nature. All of these things contribute to the service that the Coast Guard provides to the boating public. We did, therefore, indicate that the area where we have a presence is the area where we have geographic responsibility on navigable waters. We have also asked for comments in the notice of proposed rulemaking on this particular topic.

But certainly, there has to be a measure of reasonableness applied to this. We understand that, but by the same token, if we get down to looking at every linear mile of shoreline around the country, it is going to be just impossible to administer a program like this.

Senator KASTEN. Admiral, are you saying that the reason that you have this broad coverage is simply revenue driven?

Admiral KIME. Well, I think it is an effort, Senator, for us to interpret the intent of the Congress in passing the legislation and the targets that were given by the Congressional Budget Office. And in addition to that, we find it very difficult to define, in a cost-effective way, a Coast Guard presence other than what we are talking about, the way I have described it.

Senator KASTEN. But you would agree with me, would you not, that a Coast Guard presence does not mean a lake or a river in which a boat which you have inspected happens to be—I mean, you inspected the manufacturer. But you are not saying that a lake or a river in which a boat that you have inspected turns out to be one that is, in effect, in the arena that the Coast Guard would call Coast Guard presence?

Admiral KIME. Well, Senator, this is part of a indirect service that we apply to the voting public. The inspection is not for the benefit of the manufacturer. The inspection is for the benefit of the consumer who buys the boat, to ensure that it is up to safe standards.

Senator KASTEN. Once you have inspected it, you are saying that as long as you have inspected it that no matter where it is it turns out to be in Coast Guard presence and, therefore, subject to these fees?

Admiral KIME. This is just one of the many services that we provide, Senator, one of many factors where the Coast Guard spends money on a recreational boating safety program.

Senator KASTEN. I understand that. Let me shift, because there are others here that want to ask questions. But I want to ask one final question, and that is, you are trying to collect about $130 million a year. You said, if I understand, to either Senator Stevens or Chairman Hollings that you are trying to keep your cost of collection below 10 percent; is that right?

Admiral KIME. That is correct.

Senator KASTEN. In other words, you are planning on spending as much as $13 million in order to enforce this so-called user fee?—

Admiral KIME. Let me express it a different way, Senator. We hope to keep the cost down to less than $3 per transaction. If someone chooses to phone in, we estimate about $2.75 per transaction. If the person writes in, it might be as little as 40 cents. If the person walks in, it might be $2.75.

Senator KASTEN. Have you figured out how much you are going to spend finding people that have boats on the waters that, in fact, have not paid their fee? I mean, you have got yourself, now, in the business of being a traffic cop, among other things. You are a tax collector. You are an IRS agent. But you also are a tax enforcer, if I understand the law.

Admiral KIME. Well, Senator, we are trying to implement the law, as passed, in the most cost-effective way. The American boating public, we have found, is extremely law-abiding, and I think the level of recreational boating safety we see in this country is attributable, in great part, to that. And we have received numerous calls from the boating public asking how would they go about getting a decal, things of that nature.

I do not plan to go out and mount a decal-enforcement campaign, as such, anywhere in this country. What we plan to do, in the course of enforcing the various laws that we enforce around the country, is to include this as an area where we will be checking to see if, in fact, the people have complied with the requirements of the law and the regulations.

Senator KASTEN. Well, I thank you. I think one of the reasons we have got a boating public that has been cooperative is because the boating public has understood, whether it is that stamp from the State of Wisconsin or somewhere else, that the dollars that are reflected in that stamp or in that decal are, in fact, dollars that are going to improve the waterways, to improve safety, to, in the State of Wisconsin, work on boater education for children.

There is a whole bunch of things that go into that decal that make a boat owner in Wisconsin, in effect, not proud, but at least understanding of why that decal is there. This is different. This decal is a tax which is going to fund what many people believe is unnecessary Government spending. And therefore, it is a difference. And I think it is an important distinction that we have got to draw.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Lott.

OPENING STATEMENT OF SENATOR LOTT

Senator LOTT. Thank you, Mr. Chairman. I am going to be relatively brief this morning.

I waited this hour because I wanted to give you and your service some compliments, Admiral. You do not always get that when you appear before authorization committees in the Congress, but I have been working with the Coast Guard pretty directly now for 22 years as a congressional staff member, a Member of the House, and now a Member of the Senate. And I have watched the Coast Guard evolve over the years to what I think is the best organization right now that I have ever seen it. The credit goes to you and your colleagues there at the table and to your predecessors. Admiral Yost, I thought, did an outstanding job.

So, I am very proud of the Coast Guard. I think you really are beginning to reach some levels of proficiency that we have been working toward for a long time. I personally know of a lot of good things you do in the gulf, along the Mississippi gulf coast, and

share a lot of waters with Louisiana. In fact, a lot of the waters Louisiana claims are Mississippi waters that they took from us years ago. [Laughter.]

But in the case of the *Valdez,* and safety, safety inspections, search and rescue, bridge administration, your role in the Persian Gulf—I think just across the board I have a lot of confidence in the Coast Guard right now, and I think the people, as a general rule, feel that way.

I do want my colleagues here to get me on that bill as a cosponsor as soon as you get through taking the preliminary credit. I want to be with you. [Laughter.]

I was opposed to the boat tax last year, sat right down there and raised questions about it, could not understand why the full committee was so anxious to pass this boat tax, raised questions about it at least twice on the floor of the Senate. I did not understand it then; I do not understand it now. I think it is unfair. It is not a user fee. It is just a General Treasury tax. I express the same objections that the others here have expressed, and I hope that we can repeal it. Now, the question is, what are we going to put in its place? I am sure there is something we can find, but a lot of things would be better than this particular one.

You keep referring to—I think you called it hand-propelled boats. Do you include sailboats in that category?

Admiral KIME. Certain categories of sailboats; yes, sir.

Senator LOTT. I guess a sunfish would be in that category because it is shorter than, generally speaking, the 16 feet that I believe you referred to.

Admiral KIME. Yes.

Senator LOTT. But there are some sailboats that are in the 16 to 20—if you are not a very good sailor, and I fall in that category, I think it is pretty much hand-propelled. I try to wiggle the rudder.

Admiral KIME. I have that problem sometimes, too, Senator.

Senator LOTT. We have a lot of sailors in the Mississippi gulf waters. You know, their boats are not that expensive, and this is another burden for them. So, I am interested in what category of sailboats are covered or not covered.

Admiral KIME. Well, the ones that do not have supported masts are not covered under the fee proposal that has been put out. So, one over 16 feet that has a stayed-and-guyed mast would be covered unless it were used exclusively for racing. In the notice of proposed rulemaking, I think we have put out a laundry list that shows exactly which vessels are covered and which are not, and I could provide you with a copy of that, Senator.

Senator LOTT. I would like that.

Admiral KIME. We will do that today.

Senator LOTT. Just one final point. I am very much concerned, too, about your budget situation. I know that our chairman and ranking member are very much interested in that and have been very helpful to the Coast Guard in their other committee work. But I do not want you to get in a catch-22 situation where you could lose some money because of the situation with defense. And I hope that we will pay close attention to that and make sure that the good job you are doing is not adversely affected by other budget considerations.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator Lott.

Let us pick up there, Admiral Kime, and dwell on that just for a minute. You see, in trying to be the good trooper in responding to the law and the charge of the Congress, you are going to lose all that good will and reputation for the outstanding Coast Guard by getting bogged down in the shenanigans of the Congress on this deficit nonsense.

We run around and say, read our lips, you know, it is a free lunch in America. You do not have to pay for the post office when it goes broke. We will put it off budget. We will take the $100 billion from the S&L's. Oh, yes, we'll put that off budget. Read our lips. Reelect us.

And then we come around and take inland lakes in Wisconsin and in South Carolina and charge "user fees." For example, the reason I asked about Lake Murray is that the Seventh Coast Guard District's legal office has advised that the following lakes in South Carolina are navigable under the definition of 33 CFR 2.05–25, Moultrie, Marion, Murray, Hartwell, Thurmond, and Russell.

And therein is—using the expression of yours, trying to get the maximum fees, is where you get in trouble. I would rather adopt the approach of determining where a user fee is fair. Just because you inspect a boat in a factory, or you have got a helicopter 100 miles away in Charleston, is no reason to charge a user fee on Lake Murray.

This is the type thing that make you vulnerable. It causes the cynicism that we have to all suffer from; everybody has lost their confidence in Government. They ought to lose confidence, because this is the type thing we do.

I opposed it, voted against it, and now I'm with Senator Breaux. Let him lead the charge, and I will join with him in order to defend your credibility. We are not going to balance any budget or anything else with this fee. All we are going to do is ruin my Coast Guard, and that would be a tremendous disservice to the country.

And along that line, Admiral Kime, on personnel issues—I, along with Senator Kasten, serve on the State-Justice-Commerce Appropriations Subcommittee. We go around building prisons all over the country. Then I go down and look at the Coast Guard quarters in Charleston. We are going to have to get some Federal judge to say the Coast Guardsmen are being subjected to cruel and inhuman punishment. The prisoners in the new prisons have got more room than the Coast Guardsmen in Charleston, SC. Have you seen the quarters there?

Admiral KIME. Yes, I have, Senator. First, if I could get back to what you were saying about user fees, just to say that it is certainly not our intent to get the most money possible. We are trying to interpret a very vague definition and find out what the intent of the Congress was.

The CHAIRMAN. The intent of the Congress is to fool the people. I can tell you what the intent is, so you got that. So, do not join in that intent. [Laughter.]

I can tell you that right now. I mean, we have got no intention of paying any billions. Read my lips.

Admiral KIME. I understand that, Senator. I hope the Coast Guard's reputation remains intact and mine does, too, because we have got an awful lot of people out there working very, very hard to try to do a lot of things, part of which is to comply with legislation that comes out. I agree with you that we have many areas.

The barracks in Charleston are not necessarily indicative of all Coast Guard barracks around the country, but their condition is an example of why I have included in this budget more money for maintenance of our shore facilities and also for construction of new facilities, because we have not, in the past, spent the amount of money on maintenance of our shore plant—and certainly barracks are a major portion of this—as we perhaps should have.

In addition to that, we are streamlining our internal procedures so that it is easier for us to develop planning proposals so that once the money is given to us, we can execute these contracts more quickly so that our people do have the proper standard of living. And that is why I requested full funding for the President's budget, because it is things like this that I have increased in the 1992 budget.

The Department of Transportation and OMB have been very strongly supportive of my priorities in trying to do this. Sometimes barracks are not as sexy as patrol boats or large cutters or things like that, but they are very, very important. And things like this contribute to the fact that our reenlistment rate has gone down by 25 percent. I appreciate your support.

The CHAIRMAN. That is the point I had in mind.

Now, about the reservists themselves, how are we going to build back a good Coast Guard reserve? That is down substantially. We have got to build it up. I think, the entire trend with respect to the Army, Navy, Air Force, Marines, and Coast Guard Reserve is to move from regulars to the Reserve, because economically I can get four Guardsmen for every regular Army individual. And they do well. You give them the equipment—I have got national guard pilots that will beat the regular pilots. And I think the air arm won this war. There is not any doubt in my mind.

So, we know they can do the job. I was in the field with them last year at Fort Stewart, and, similarly, with the Coast Guard reservists. But we need to start rebuilding right now, and we are going to need more of them.

Admiral KIME. Well, Senator, our reservists, I think, have done an outstanding job, not just with Desert Shield and Desert Storm, but I think—we have mentioned the Exxon *Valdez*, Hurricane Hugo that hit your part of the country and also the Caribbean, the earthquake in San Francisco, where they have given us the surge capability to go out and do the job where it had to be done quickly, and also continue to do the other things that we have been charged with doing.

We have developed a plan to increase, on a gradual basis, the level of the Coast Guard Reserve force from the present approximately 12,000 up to 25,500. We are, budgetwise, about halfway through a 10-year plan, and we have yet to move the needle off of zero. We have not been able to get support for this.

I have chosen, in this budget, to hold my own—that is all we have been able to do for the last 5 years anyway—at about 12,000

fully qualified, fully trained, fully funded reservists with a view toward, as the dust settles from Operation Desert Storm, working with the other military services as they revise their war plans, as we look at what our needs are, the types of wars we might be involved in, determining what the Coast Guard commitment would be. Hopefully, we will then get a better idea of the numbers and types of reservists we need, with the aim of getting increased support, the support we have not been able to get over the past 5 years, so that we can, in fact, if we can demonstrate a need for an increased Reserve, get a fully funded, increased Reserve.

The CHAIRMAN. Very good.

Senator Breaux.

Senator BREAUX. I have one question. I am sorry our colleague, Senator Lott from Mississippi, is no longer with us. I appreciate his comments about the strong Coast Guard. I want you to know I have seen Senator Lott sail and navigate a power boat. He really needs a strong search and rescue team from the Coast Guard. [Laughter.]

Let me just ask one quick question, seriously, Admiral. On the Wallop/Breaux Trust Fund, can you give us—which is truly a user fee, because it is a tax on rods and reels and fishing equipment that goes into a trust fund and goes back for the purposes of developing recreational fishing opportunities. Can you tell me how much the Coast Guard gets from that in this current fiscal year and how is it to be spent?

Admiral KIME. By law, Senator, the amount going to boating is capped at $70 million, although far in excess of that, I think, is collected from the boating public. The rest of it reverts, as we know, to the Aquatic Resources Trust Fund for fisheries purposes. That $70 million is divided, $35 million for the Coast Guard for our recreational boating program and $35 million to the States.

Senator BREAUX. How do you use the $35 million that goes to the Coast Guard for boat safety?

Admiral KIME. It is spread across our recreational boating safety program and all of our other programs that support recreational boating safety—search and rescue, aids to navigation, things of that nature—where our data indicate that we spend about $315 million a year.

Senator, we are currently doing a study, a survey among the boating public, to find out exactly how much gasoline is purchased, what they use it for, with a view toward whether or not there should be a reassessment as to how much of this money ought to go to the boating public and how much should continue to go to fishing interests. We are just gathering the data. This is something we will have to work on within the administration and then, depending upon the outcome, possibly approach the Congress.

Senator BREAUX. As a possible recommendation, do you think maybe you are getting more than you need, perhaps, for boating safety purposes? Is that one of the concerns?

Admiral KIME. No, I do not think we are, Senator. I think we are talking about $315 to $317 million a year into all aspects of boating safety—$35 million is coming to the Coast Guard from the Wallop/Breaux fund, and the recreational boating fee would give us about another $127 million. That still is less than the amount that we

are talking about. But as I say, we have this study ongoing, and we are not prepared to talk about what the future might be until we get all our data and take a look at it.

Senator BREAUX. Do you have any idea when that may be completed?

Admiral KIME. We have got to go through a whole boating season, through the various quarters of the year. I can provide for the record exactly when it will be, but we have got about at least two quarters to go.

[The information referred to follows:]

BOAT FUEL USE SURVEY

The survey will be conducted in every State for four quarters of the year covering the 12-month period from December 1990 through November 1991. The survey results for the four quarters will be used to develop annual estimates of fuel consumed by motorboats for each State, as well as the Nation. We expect the survey report to be prepared early in calendar year 1992.

Senator BREAUX. Let me just conclude by also sharing in the compliments for the job that the Coast Guard does. I think that it is outstanding. Certainly, those of us in the gulf certainly appreciate your presence. We live and literally die by the efforts of the Coast Guard, and we thank you for doing a good job. Thank you.

Admiral KIME. Thank you, Senator.

The CHAIRMAN. Senator Kasten.

Senator KASTEN. Mr. Chairman, I just want to make one final comment, because about 2½ or 3 weeks ago I had the honor of greeting some of the returning Coast Guard Reserve personnel who had performed port security duties in the Persian Gulf. And they were coming back to Milwaukee, General Mitchell Field. And they were the first group of people coming back to our State from the gulf.

Though your service's numbers, Admiral, were not those of some of the other branches, the professionalism and the commitment and the drive of these people are clearly the equal of any American units who served over there as part of Operation Desert Shield-Desert Storm. And you and all of the people that you work with are to be congratulated on a job well done. And you, sir, can be very, very proud of the people that you are working with.

Admiral KIME. Well, Senator, thank you very much. Let me tell you that we certainly are very proud of the fine Coast Guard men and women, and especially the reservists that you talked about, and I will convey your thoughts to our people.

Let me take this opportunity to personally thank you for your presence there when they did arrive. I was aware of that. I knew what you did. It was extremely well received by not only the reservists, but their families and other members of the Coast Guard family, and I appreciate the interest that you showed in our people in recognizing the sacrifices they had made.

The CHAIRMAN. Admiral Kime, just one final question. We will leave the record open. Other members may have questions.

With respect to the speed of our Coast Guard boats, I saw a part of a program—I guess it was on Sunday night on 60 Minutes—about these Cigarette boats down in the Keys in Florida. I want to make sure we are not being outrun. I think back to the old bootleg days in South Carolina to those fellows that operated the illegal

boats. They were so good that when World War II started, they took them out of the penitentiary. They went to New Orleans to show everybody how to operate PT boats.

Now, are the violators outrunning the law enforcement agents, the Coast Guard, with these Cigarette boats, or do we have Cigarette boats? Are we seizing some and using some, or what is the score?

Admiral KIME. I certainly agree with you, Senator, and we looked at this very, very carefully. I was down in your part of the country from 1982 to 1984 in the Seventh Coast Guard District running the day-to-day operations, and we did start to use some of the seized vessels down there. And in fact, both the Coast Guard and Customs Service embarked on a fast coastal interceptor program where we bought some high-performance, high-speed boats in an effort to see if these were necessary where we were being outrun.

And, as a result of the actions of the Congress last year, we have terminated that program. But, we agree with what was done. It has not been cost effective. They have been involved in precious few seizure cases—I could probably count them on one hand—over a period of about 3 years.

We have used helicopters very effectively in detecting people making fast boat runs across to the mainland from the Bahamas and up and down the coast, and proceeded after them that way. We have found that the fast coastal interceptors are a very expensive way to go and have not been a cost- effective means. So, I think that continued reliance on our helicopters, getting the new HH–60's that we are in the process of getting right now, is going to let us have the proper oversight of this smuggling mode.

The CHAIRMAN. Very good. We appreciate your appearance here with your associates this morning.

The committee will be in recess until the call of the Chair. Thank you very much.

[Whereupon, at 11:20 a.m., the committee was adjourned, subject to the call of the Chair.]

APPENDIX

QUESTIONS SUBMITTED BY SENATOR HOLLINGS AND ANSWERS THERETO

AIR FACILITY CHARLESTON

Question. The Coast Guard Authorization Act of 1988 directed the Coast Guard to establish an emergency rescue helicopter base in Charleston, SC. I know that the Coast Guard has been working toward this end. What is the status of the base? Are there any problems the committee should know about?

Answer. The Coast Guard established a full-time helicopter presence at a temporary facility in Charleston, South Carolina in September 1990, as required by the Coast Guard Authorization Act of 1988.

An architect-engineer (AE) contract for the design of a permanent Coast Guard facility was awarded on February 7, 1991. We anticipate awarding a construction contract for our new facility in May 1992, and moving into the new facility in June 1993.

We believe initial concerns regarding the adequacy of water and sewage treatment services will be remedied by the Charleston County Aviation Authority. Otherwise we foresee no problems concerning our Charleston facility.

RECENT REPORT ON WOMEN IN THE COAST GUARD

Fifteen years ago, the Coast Guard Academy led other U.S. military schools by being the first to admit women. However, a 1990 Coast Guard task force report entitled "Women in the Coast Guard" found that women were not welcome in the service and that female cadets at the Academy were harassed, abused, and assaulted.

Question. The dropout rates at the Academy have been historically very high, but worse for female cadets. What are the most current dropout figures for men and women at the Academy?

Answer. The information is provided in the following table:

Coast Guard Academy Retention of U.S. Citizens as of 31 January 1991

	Class of							
	1991		1992		1993		1994	
	Male	Female	Male	Female	Male	Female	Male	Female
Sworn in	293	50	253	51	248	41	259	54
Started 4/C academic year	206	43	228	48	219	39	242	50
Remaining with class	184	21	162	33	180	34	229	48
Percentage remaining of those starting 4/C academic year	89	49	71	69	82	87	95	96

Question. What policies has the Coast Guard instituted in both the Academy and the service in general to address the findings of this report? How effective have they been thus far?

Answer. The report of the "Women in the Coast Guard" study included about 100 recommendations. The Coast Guard implementation plan addresses all of them. Many of the actions taken as a result of the study will improve the Coast Guard for both men and women. For example, medical and child care initiatives, attention to colocation of dual-service couples, and uniform supply improvements, although made as a result of the study, are in essence, gender neutral. A significant portion of the actions directly addresses the problem of incomplete acceptance of women. The newly issued Sexual Harassment Policy Statement establishes a clear position against sexual harassment, and holds accountable those who inflict or tolerate sex-

ual harassment. Training for human relations awareness, especially sexual harassment, is being significantly expanded. The existing initial and periodic human relations and sexual harassment training for all Coast Guard personnel has been significantly enhanced, and training on this subject is being added to existing specialty and leadership training. The Academy has taken numerous steps to ensure acceptance of women: training of both faculty, staff, and cadets, a support network for cadets, and constant reinforcement by the leadership of zero tolerance for discrimination. A climate assessment will be conducted by an outside contractor in the fall of 1991. Meanwhile, there are signs of positive results from the actions already taken: female cadets indicate that life has changed for the better, and, as the figures above show, retention of women is becoming comparable with that of the men of the same class across the year groups. We are confident that the atmosphere in the Coast Guard at large is improving as a result of Coast Guard-wide initiatives to improve the Coast Guard environment for both men and women.

PATROL VESSEL SHORTAGE

At the last authorization hearing, Admiral Yost spoke of a patrol boat shortage in the mid-1990's. Since that time, the Coast Guard has purchased a number of additional 110-foot cutters. Furthermore, I understand that a prototype 125-foot cutter is being completed at the Coast Guard Yard in Baltimore.

Question. Are we still looking at a shortage by 1995?

Answer. Yes, there will still be a patrol boat shortage in the mid-1990's. However, the Coast Guard has taken action to minimize the extent of the shortfall. Since the last hearing, we have reduced the potential "gap" from 16 to 2 by extending the service life of selected Point Class patrol boats. This decision is an interim measure until replacement cutters are available. The acquisition of 12 additional Island Class patrol boats (provided in the FY 1990 DOD Appropriation Act) does not increase our total number of patrol boats because each new 110-foot WPB replaces an older Point Class cutter * * * a net zero gain.

The 120-foot Heritage Class prototype is presently being constructed at the Coast Guard Yard, and delivery is scheduled for March 1992. The cutter will undergo a technical and operational evaluation period, at which time a decision for future production will be made. The Heritage will be the replacement cutter for the remaining Point Class boats.

The Coast Guard is also investigating a smaller, less expensive coastal patrol boat to replace some Point Class cutters in areas where the full operational capabilities of a Heritage or Island Class are not required.

Question. For the record, how do you expect the 125-foot cutter to differ from the 110-foot cutters?

Answer. There are some differences between the 120-foot Heritage Class and the 110-foot Island Class. Among the more significant are hull form and structure and some specific systems capabilities. The hull form of the 120-foot Heritage Class patrol boat is expected to give some improvement to speed in rough seas. The Heritage hull is constructed of heavier and stronger steel than the Island Class. This should decrease life cycle hull maintenance costs. The Heritage design contains chemical, biological, and radiological (CBR) countermeasures systems, which the Island Class does not have. These improvements should increase overall mission performance of the Heritage Class.

SANCTUARIES ACT ENFORCEMENT

The Marine Protection, Research, and Sanctuaries Act provides that the Secretary of Commerce may make agreements with other Federal agencies to use their personnel, services, and facilities to enforce the act. Regulations are now being developed for the Florida Keys and Monterey Bay National Marine Sanctuaries, but the Secretary of Commerce and the States have limited resources with which to enforce these regulations.

Question. Considering the Coast Guard's law enforcement mission and capabilities, would an agreement providing for joint Commerce-Coast Guard sanctuary enforcement be possible?

Answer. Such an agreement would be possible and the act so states that The Secretary of Commerce shall, whenever appropriate, use by agreement the personnel, services, and facilities of State and other Federal departments agencies, and instrumentalities, on a reimbursable or nonreimbursable basis, to carry out the Secretary's responsibilities under the act. The act also does not limit the authority of the Coast Guard to enforce Federal laws under section 89 of title 14 including those of the act.

Question. How well could a sanctuary enforcement mission be integrated into the Coast Guard's existing operations?

Answer. To date, providing enforcement presence in conjunction with other mission activities has proven adequate. Marine sanctuary enforcement is important, and State marine authorities already provide a substantial enforcement presence. Public awareness and enforcement by State marine patrols is having the desired effect.

QUESTION SUBMITTED BY SENATOR ROBB AND ANSWER THERETO

WOODROW WILSON BRIDGE

Question. I recently joined with Senator Sarbanes and others to introduce S. 368, legislation to regulate the operation of the Woodrow Wilson Memorial Bridge. The bill would limit drawbridge openings to a period from midnight to 4 a.m. What is the Coast Guard position on this legislation?

Answer. The Coast Guard opposes the proposed legislation (S. 368) relative to the operation of the Woodrow Wilson Bridge. The proposed legislation will exclude those commercial vessels that can only transit through the bridge during high-water stages from using the waterway above the bridge site. The proposed legislation, if enacted, will set a bad precedent which may affect the operation of the other 15 movable bridges in the U.S. interstate highway system as well as approximately 1,700 other movable bridges throughout the country.

The Coast Guard is presently working on a regulatory analysis to determine the best opening schedule for land and marine modes of transportation. Any action prior to completion of that analysis will be without the benefit of knowing the impacts such action may have on marine and land traffic.

Presently, the Coast Guard promulgates and revises regulations to provide the best balance between the needs of marine and other modes of transportation. Legislation is difficult to change once enacted, and precludes necessary balancing. Regulations are much easier to amend to meet changing needs.

QUESTION SUBMITTED BY SENATOR MURKOWSKI AND ANSWER THERETO

ENVIRONMENTAL IMPACT OF EXXON VALDEZ OILSPILL

Question. Based on your role as top Federal official on the Exxon *Valdez* oilspill cleanup, do you concur with Admiral Ciancaglini's testimony in a hearing held March 12, 1991, before the U.S. Senate Committee on Energy and Natural Resources? This hearing dealt with Title IX of S. 341, to authorize oil and gas leasing in ANWR. The text follows:

> Senator MURKOWSKI. My last question for the Admiral, in your opinion, what is the environmental impact associated with Prince William Sound from the standpoint of any long-term damage?
>
> Admiral CIANCAGLINI. Based on the information that I have, and based on the information that has been made available by our scientific advisor, the National Oceanic and Atmospheric Administration, very little impact damage, if at all, Senator.
>
> Senator MURKOWSKI. Well, what do you mean "very little, if at all"?
>
> Admiral CIANCAGLINI. I mean that—compared to what the impact was initially to what it is now.
>
> Senator MURKOWSKI. Is there any long-term damage that you can identify?
>
> Admiral CIANCAGLINI. I do not know of any, sir.

Answer. Generally, the oil-impacted areas are recovering faster than anticipated; however, to assess long-term damage at this point would be purely speculative. There are clear visible signs that environmental conditions are improving as evidenced by the return of flora and fauna in lightly oiled areas. The natural resource trustee agencies are continuing to assess the long-term injury to the environment.

O